Middle East & Africa
Solid engine of growth

#Orange MEA Day2019

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London, June 21st 2019
Disclaimer

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1. Over 20 years in the region, a key growth asset for the group

2. What drives growth and our sustainable competitive advantage

3. Well-positioned for continued superior performance

4. Q&A
Orange MEA at a glance

Orange MEA footprint (2)

Mauritius not included in the Orange MEA consolidated perimeter

Key Figures 2018 – consolidated perimeter

- **€5.2bn** revenues, +5.1% yoy
- **€1.66bn** Adj. EBITDA, +5.2% yoy
- **€0.66bn** Op. Cash Flow, +12.5% yoy

- **121m** mobile customers
- **1.0m** fixed broadband customers
- **15.1m** Orange Money active customers

(1) Under the equity method
(2) Mauritius not included in the Orange MEA consolidated perimeter
OMEA – Key driver of growth, margin and operating cash flow

2018 group revenues

<table>
<thead>
<tr>
<th>Share of Group</th>
<th>Share of growth (cb)</th>
</tr>
</thead>
<tbody>
<tr>
<td>41,381</td>
<td>544</td>
</tr>
<tr>
<td>87%</td>
<td>54%</td>
</tr>
<tr>
<td>13%</td>
<td>46%</td>
</tr>
</tbody>
</table>

2018 group adj. EBITDA

<table>
<thead>
<tr>
<th>Share of Group</th>
<th>Share of growth (cb)</th>
</tr>
</thead>
<tbody>
<tr>
<td>13,005</td>
<td>344</td>
</tr>
<tr>
<td>87%</td>
<td>76%</td>
</tr>
<tr>
<td>13%</td>
<td>24%</td>
</tr>
</tbody>
</table>

2018 group OpCF

<table>
<thead>
<tr>
<th>Share of Group</th>
<th>Share of growth (cb)</th>
</tr>
</thead>
<tbody>
<tr>
<td>5,563</td>
<td>94</td>
</tr>
<tr>
<td>88%</td>
<td>78%</td>
</tr>
<tr>
<td>12%</td>
<td>22%</td>
</tr>
</tbody>
</table>

in €m

Orange MEA | Rest of Group
Over past 10 years, OMEA revenues\(^{(1)}\) grew on average faster than GDP.

![Graph showing OMEA revenue growth and GDP growth over years from 2009 to 2018.]

- **OMEA revenue growth current perimeter (%)\(^{(1)}\):**
  - 2009: 6.7%
  - 2010: 2.2%
  - 2011: 6.7%
  - 2012: 6.3%
  - 2013: 5.1%
  - 2014: 5.1%
  - 2015: 5.1%
  - 2016: 5.1%
  - 2017: 5.1%
  - 2018: 5.1%

- **GDP growth current perimeter (%)\(^{(1)}\):**

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\(^{(1)}\) Current perimeter: excludes disposals. 2016 acquisitions excluded before 2017 and included thereafter on a proforma basis.
#1 or #2 positions built up over 20 years…

- Presence in 19 countries with 17 controlling interests
- Leadership position in 7 markets
- First challenger position in 10 markets

Orange’s #1 market share relative to the second competitor in the market
Orange’s market share position relative to the market leader

Relative Value market shares
(points in value, 2018)

Note: FY18 figures and year-on-year growth between 2017 and 2018
Source: Orange MEA
(1) Countries estimates based on volume market share
... reinforced by successful integration of 2016 acquisitions...

Recent acquisitions outperformed Orange MEA portfolio...

... helping boost overall Orange MEA growth

+3.5m 2018 yoy evolution in mobile customer base

3/4 2018 contribution to growth in Orange Money user base

1/3 2018 contribution to revenues growth (cb)

Key success factors

Clusters’ involvement

Skills in fast integration to Orange standards

(1) Normalised EBITDaAL
… with financial exposure under strict control…

Healthy balance sheet funded mostly with local debt

- Intra-group debt (in euros): 28%
- Local debt (in local currencies): 72%

2018 OMEA revenues: €5.2bn

Operations monetary areas

- XOF: 47%
- XAF: 47%
- Other: 6%
... and improving contribution to value creation

OMEA Adj. EBIT evolution
Year n

OMEA Net Operating Assets
Year n-1

OMEA Operating ROCE* evolution
Year n

* ROCE (n) = Adj. EBIT (n) / Net Operating Assets (n-1)
Over 20 years in the region, a key growth asset for the group

Growth and sustainable competitive advantage drivers

Well-positioned for continued superior performance

Q&A
Solid performance while service mix radically transformed...

A transformation of service mix...

Voice stabilization
(share of retail revenues %)

- Q1’16: 64%
- Q4’18: 50%

Acceleration of data and Orange Money
(share of retail revenues)

- Q1’16: 18%
- Q4’18: 31%

...with total retail revenues growing steadily

82%

Contribution
(weight in FY18 revenues)

- 2016: 4%
- 2017: 6%
- 2018: 8%

Growth in revenues
(comparable basis)

- 2016: 4%
- 2017: 6%
- 2018: 8%

Solid performance while service mix radically transformed...
Smartphone penetration:
- 50% Middle East & North Africa
- 30% Central and West Africa

“Sanza” Orange 20USD feature phone

Volume thanks to 4G and smartphone penetration

<table>
<thead>
<tr>
<th>Year</th>
<th>4G customers (in msubs)</th>
<th>Mobile customers (in msubs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>110</td>
<td>107</td>
</tr>
<tr>
<td>2017</td>
<td>121</td>
<td>110</td>
</tr>
<tr>
<td>2018</td>
<td>121</td>
<td>104</td>
</tr>
</tbody>
</table>

Mobile ARPU

Data revenues growth since 2016

<table>
<thead>
<tr>
<th>Year</th>
<th>Data revenue (in €bn)</th>
<th>MEA mobile revenue (in €bn)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016 cb</td>
<td>0.7</td>
<td>2.6</td>
</tr>
<tr>
<td>2017 cb</td>
<td>0.8</td>
<td>2.7</td>
</tr>
<tr>
<td>2018</td>
<td>1.0</td>
<td>2.8</td>
</tr>
</tbody>
</table>

... fuelled by Data, 1st engine of growth...
… then Orange Money, 2nd engine of growth...

**Orange Money total base penetration in telecom base**

- 2016: 28%
- 2017: 28%
- 2018: 33%

**Steady growth of Orange Money active base**

- 2016: 8 million
- 2017: 12 million
- 2018: 15 million

**Strong increase in revenues**

- 2016: 135 million
- 2017: 241 million
- 2018: 334 million

Other mobile customers: 2016: 8 million, 2017: 12 million, 2018: 15 million

... and B2B, 3rd engine of growth...

### Data contribution to B2B growth

<table>
<thead>
<tr>
<th>Year</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>48%</td>
</tr>
<tr>
<td>2017</td>
<td>66%</td>
</tr>
<tr>
<td>2018</td>
<td>64%</td>
</tr>
</tbody>
</table>

### B2B revenues

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue (in €bn)</th>
<th>Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>0.61</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>0.62</td>
<td>+6%</td>
</tr>
<tr>
<td>2018</td>
<td>0.65</td>
<td></td>
</tr>
</tbody>
</table>

### B2B contribution to total revenues

<table>
<thead>
<tr>
<th>Year</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>11.7%</td>
</tr>
<tr>
<td>2017</td>
<td>12.4%</td>
</tr>
<tr>
<td>2018</td>
<td>12.5%</td>
</tr>
</tbody>
</table>

### Our customers

- 68% large accounts
- 32% other

- Governments
- Enterprises
- International organisations

### €0.65bn
B2B revenues in 2018

### Our strategy

- ICT
- Digitalisation
- Multi-services

- Orange
- Money
Our differentiating assets as key success factors in Africa

- **Reliable and extensive** networks
- **€1.6 bn** spectrum on balance sheet
- **45,000 km** of undersea cables
- **900,000** points of sales
- **Strong and renowned** brand

**Regional/Local** operating model

**Experienced** management team

**Women and men:** employer of choice

**Partnerships** with start-ups & companies

... fuelling growth with new model of sustainable competitive advantage...
5 transformation streams

1. Adapt our business model to the upcoming challenges of the continent
2. Evolve our innovation model toward greater efficiency and improved TTM
3. Win the war for talent against competitors and other industries
4. Strengthen our regional anchorage
5. Combine the best of the two worlds: advantage of scale and greater agility

New operating model with 4 clusters

Dakar
- Sonatel Group
- Headquarters
- Shared Service Centers
- Network Operating Center

Casablanca
- OMEA Operational Headquarters
- MENA Regional Headquarters
- OMEA sourcing

Abidjan
- OCI Group Headquarters
- Technocenter
- CECOM
- MOWALI
- Orange Bank Africa

... thanks to unique combination of regional scale and local agility...
Our market positions in 2018

<table>
<thead>
<tr>
<th>Region</th>
<th>Country</th>
<th>#</th>
<th>Revenues (€bn)</th>
<th>Customers</th>
<th>ARPU €</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sonatel Group</td>
<td>Senegal</td>
<td>#1/3</td>
<td>1.7</td>
<td>29.2m</td>
<td>4.2</td>
</tr>
<tr>
<td></td>
<td>Mali</td>
<td>#1/3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Guinée</td>
<td>#1/4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bissau</td>
<td>#1/3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sierra Leone</td>
<td>#2/3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OCI Group</td>
<td>Côte d’Ivoire</td>
<td>#1/3</td>
<td>1.1</td>
<td>23.3m</td>
<td>3.5</td>
</tr>
<tr>
<td></td>
<td>Burkina Faso</td>
<td>#1/3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Liberia</td>
<td>#1/2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MENA region</td>
<td>Morocco</td>
<td>#2/3</td>
<td>1.6</td>
<td>44.4m</td>
<td>2.2</td>
</tr>
<tr>
<td></td>
<td>Tunisia</td>
<td>#2/3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Egypt</td>
<td>#2/4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Jordan</td>
<td>#2/3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CEA region</td>
<td>DRC</td>
<td>#2/4</td>
<td>0.8</td>
<td>23.8m</td>
<td>2.9</td>
</tr>
<tr>
<td></td>
<td>Cameroon</td>
<td>#2/4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>RCA</td>
<td>#2/3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Madagascar</td>
<td>#2/4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Botswana</td>
<td>#2/3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Niger</td>
<td>#2/4</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: FY18 figures and year-on-year growth between 2017 and 2018

(1) Estimate based on volume market share

Source: Orange MEA

… strengthening very balanced portfolio…
Less exposed to a single country
(revenues and EBITDA in TOP 1 within countries, FY18)

- **Airtel Africa**: Nigeria (38% revenues, 34% EBITDA)
- **Etisalat Africa**: Morocco (52% revenues, 37% EBITDA)
- **MTN**: South Africa for revenues and Nigeria for EBITDA (34% revenues, 33% EBITDA)
- **Orange MEA**: Ivory Coast for revenues and Senegal for EBITDA (17% revenues, 16% EBITDA)

Source: Companies’ financial results in December 2018
For Airtel 9 months basis as FY disclosure is in March
... showing a diversified and complementary profile...

Growth and maturity

- Orange MEA
  - Growth: 5.1%

Revenue growth 18 vs. 17

Source: Orange MEA, national regulatory agency reports and estimates for competitors’ market shares
... and a strong local ownership...

Global shareholding structure (1)
Dec. 31st 2018

- Orange: 60%
- Local private investors: 24%
- Local authorities, governments: 16%

(1) Based on Orange S.A. percentage of interest in each entity’s enterprise value (internal calculation)
… supported by an experienced management team

Alioune Ndiaye
CEO Orange MEA

Jérôme Hénique
Deputy CEO & COO Orange MEA

Ludovic Pech
Deputy CEO & CFO Orange MEA

Sekou Drame
CEO of Sonatel Group

Mamadou Bamba
CEO of Côte d’Ivoire Group

Taïeb Belkahia
VP MENA Region

Elisabeth Medou Badang
VP CEA Region

B. Ba
Mali

S. Diop
Guinea

S. Sy Sarr
Bissau

A. Kane
Sierra Leone

B. Haïdara
Burkina Faso

M. Coulibaly
Liberia

Y. Shaker
Egypt

T. Millet
Tunisia

Y. Gauthier
Morocco

T. Marigny
Jordan

G. Lokossou
DRC

F. Debord
Cameroon

D. Aubert
Niger

R. Delière
CAR

M. Degland
Madagascar

P. Benon
Botswana
1. Over 20 years in the region, a key growth asset for the group

2. What drives growth and our sustainable competitive advantage

3. Well-positioned for continued superior performance

4. Q&A
Strong demographic growth...

Population growth 2018-2023

- Europe: +0.0%
- World: +1.0%
- Africa: +2.4%
- MEA footprint: +2.5%

Population growth over 2018-2050

- +2.1bn
- 1 in 4 living in Africa by 2050
- 1 in 3 Africans in MEA footprint by 2050

... fuelling sound long-term economic growth...

GDP: Africa* vs. rest of the world

<table>
<thead>
<tr>
<th>Year</th>
<th>China</th>
<th>United States</th>
<th>European Union</th>
<th>India</th>
<th>Africa</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>18%</td>
<td>16%</td>
<td>15%</td>
<td>7%</td>
<td>3%</td>
</tr>
<tr>
<td>2050</td>
<td>20%</td>
<td>15%</td>
<td>12%</td>
<td>10%</td>
<td>9%</td>
</tr>
</tbody>
</table>

GDP: Orange footprint vs. MEA

- Middle East and Africa area
- Orange MEA footprint

*Share of African GDP (in PPP) in global world GDP up to 2050
Source: PWC study «the world in 2050» February 2017
... and anticipated massive usage growth

- **Money**
  - > 65% smartphone adoption in Sub-Saharan Africa by 2025 (x2 vs. 2017)
  - > 500m users circa x4 by 2023
  - > $200bn transactions value circa x8 by 2023

- **Equipment**
  - 690m smartphone users in Sub-Saharan Africa by 2025

- **Usage**
  - 40% mobile internet penetration in Sub-Saharan Africa by 2025 (x2 vs. 2017)
  - > 10x mobile data traffic evolution by 2023

- **Services**
  - 60% African people lack access to a reliable source of energy
  - 250m African smallholder farmers Potential M-Agri users*

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*M-Agri services include (not exhaustive): information on market prices and weather, advice in good agricultural practices and market places
We will continue to leverage our core business and new services

#1 Mobile data
- Low-cost smartphone promotion through manufacturer partnership
- New data plans to support customer usage growth
- Optimized investments through sharing solutions

#2 Fixed BB
- Fibre roll-out for targeted areas
- Fixed LTE development, as fibre alternative, to cover non dense area at attractive costs
- Enriched content and Pay-TV

#3 Money
- Increase penetration and usage through customer base management
- Increase value by enriching services portfolio
- Leverage to penetrate other business opportunities
Orange Money paving the way for fully-fledged Orange Bank

<table>
<thead>
<tr>
<th>Product portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Credit/loans</strong></td>
</tr>
<tr>
<td>Pico &lt;$100 / Micro [$100-500]</td>
</tr>
<tr>
<td><strong>Savings account</strong></td>
</tr>
<tr>
<td><strong>Insurance</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Partners/Providers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Orange Bank Africa</strong> *</td>
</tr>
<tr>
<td>NSIA fully-fledged bank</td>
</tr>
<tr>
<td><strong>PAMF</strong></td>
</tr>
<tr>
<td>Insurance, savings, credit, payments</td>
</tr>
</tbody>
</table>

*Product portfolio built in-house or thanks to partnerships

*Subject to approval from Central Bank of Western African States (BCEAO)
MEA will continue to develop into multi-services...

**Energy**
- Access facilitation to energy through prepaid services using Orange Money

**M-Agriculture**
- Productivity increase through mobile agriculture services

**Health**
- Efficiency of health systems through e-health

**Education**
- Teacher training improvement through e-education
… with focus on energy business

**Standalone power systems**
- **Payment** via Orange Money
- More than 2,800 radio sites in 2018
- Recharge mobile phones at home

**Solar power**
- Orange Jordan to be fully powered by **renewable energy**
- Optimize **energy costs**
- **Partnerships** with energy service companies

**Smart metering**
- Manual metering **operation made automatic**
- Energy production **optimisation**
- Payment experience **improvement** with Orange Money
MEA will continue to consolidate footprint via strong local partnerships

Interoperable hub with MTN for international and domestic transfer

Group co-owner of submarine cables (ACE, Eassy, Lion)

Strategic and commercial partnership with Jumia

Orange Digital Ventures Africa investments in early stage startups

Investments in early stage startups
In a nutshell

Vision

Set the standard as multi-services operator supporting digital transformation in Middle East & Africa

Mission

• Make innovation a driver for growth in Africa
• Meet customers essential needs while and offering an unmatched experience
• Become the reference partner for the digital transformation across the continent

Execution

• Single dedicated holding company with operational and regional headquarters in Africa
• A new operating model with stronger operational leverage
Shareholders can expect ongoing Orange MEA solid profitable growth

- Ongoing a major source of revenue growth for the Orange Group
  - Continue to over-perform footprint GDP growth at portfolio level

- Ongoing delivery of profitable, sustainable and responsible growth
  - Grow EBITDAaL faster than revenues

- Ongoing improvement in operational ROCE
Over 20 years in the region, a key growth asset for the group

What drives growth and our sustainable competitive advantage

Well-positioned for continued superior performance

Q&A